U.S. Department of Homeland Security Washington, DC 20528



July, 13, 2005

The Honorable Robert C. Byrd Ranking Minority Member Subcommittee on Homeland Security Committee on Appropriations United States Senate Washington, DC 20510

Dear Senator Byrd:

Thank you for your letter of June 13, 2005, regarding the Department of Homeland Security's Second Stage Review and the pace at which we obligate funding appropriated by the Congress.

I am firmly committed to ensuring that funds entrusted by American people are spent wisely and in a manner consistent with the intent of the Congress. Since 2001, the Department has made over \$14 billion available to the Nation's first responders. To this end, while we have made improvements in the way the Department's grant programs are managed, there is still progress to be made in this area.

I am also committed to making further improvements and will pursue additional reforms, whether organizational changes or process improvements, that ensure that grant funds are distributed in a timely and effective manner without sacrificing effective oversight. As you also know, the efficiency of our grant programs also depends on the performance of our key state and local partners. I have been encouraged by our dialogue with them in my tenure at DHS and look forward to working with them on reforms throughout the entire system, not just at DHS. Clearly, a more streamlined process could lead to more rapid enhancements in our nation's preparedness. I look forward to continuing to discuss these important issues with you.

I appreciate your support of the Department's programs. If you have questions on this issue, please contact me or have your staff contact Andrew Maner, Chief Financial Officer on (202) 205-0139.

Sincerely,

Michael Chertoff